



**REPORT OF THE AUDITOR OF PUBLIC ACCOUNTS
AUDIT EXAMINATION OF THE
SHELBY COUNTY FISCAL COURT**

Fiscal Year Ended June 30, 1998

**EDWARD B. HATCHETT, JR.
AUDITOR OF PUBLIC ACCOUNTS
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SHELBY FISCAL COURT	



Edward B. Hatchett, Jr. Auditor of Public Accounts

To the People of Kentucky
Honorable Paul E. Patton, Governor
John P. McCarty, Secretary
Finance and Administration Cabinet
Sarah Jane Schaaf, Secretary, Revenue Cabinet
Honorable Bobby Stratton, County Judge/Executive
Members of the Shelby County Fiscal Court

Independent Auditor's Report

We have audited the accompanying statement of assets, liabilities, and fund balances arising from cash transactions of Shelby County, Kentucky, as of June 30, 1998, and the related statement of cash receipts, cash disbursements, and changes in cash balances for the year then ended. These financial statements are the responsibility of the Shelby County Fiscal Court. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards, Government Auditing Standards issued by the Comptroller General of the United States, and the Audit Guide for Fiscal Court Audits issued by the Auditor of Public Accounts, Commonwealth of Kentucky. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Shelby County, Kentucky, prepares its financial statements on a prescribed basis of accounting that demonstrates compliance with the cash basis and laws of Kentucky. Consequently, certain revenues and the related assets are recognized when received rather than when earned, and certain expenses are recognized when paid rather than when a liability is incurred. The cash basis accounting system does not require an entity to maintain a general fixed asset group or a general long-term debt group of accounts. Accordingly, the accompanying financial statements are not intended to present financial position and results of operations in conformity with generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, and fund balances arising from cash transactions of Shelby County, Kentucky, and the related statement of cash receipts, cash disbursements, and changes in cash balances as of and for the year ended June 30, 1998, in conformity with the cash basis of accounting described above.

To the People of Kentucky
Honorable Paul E. Patton, Governor
John P. McCarty, Secretary
Finance and Administration Cabinet
Sarah Jane Schaaf, Secretary, Revenue Cabinet
Honorable Bobby Stratton, County Judge/Executive
Members of the Shelby County Fiscal Court

Our audit was performed for the purpose of forming an opinion on the financial statements of Shelby County, Kentucky, taken as a whole. The information provided on the accompanying schedules is presented for purposes of additional analysis and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly presented, in all material respects, in relation to the financial statements taken as a whole.

Based on the results of our audit, we present the accompanying Comment and Recommendation, included herein, which discusses the following area of noncompliance:

- Competitive Bids Were Not Requested For The Ambulance Purchase

In accordance with Government Auditing Standards, we have also issued our report dated July 19, 1999, on our consideration of Shelby County, Kentucky's compliance with certain provisions of laws, regulations, contracts, and grants, and internal control over financial reporting.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Ed Hatchett", with a long horizontal flourish extending to the right.

Edward B. Hatchett, Jr.
Auditor of Public Accounts

Audit fieldwork completed -
July 19, 1999

SHELBY COUNTY OFFICIALS

Fiscal Year Ended June 30, 1998

Bobby Stratton	County Judge/Executive
J. Hite Hayes	County Attorney
Sue Carole Perry	County Clerk
Kathy Nichols	Circuit Court Clerk
Harold E. Tingle	Sheriff
Bobby Waits	Jailer
William S. Proctor	Property Valuation Administrator
Mary S. Bradshaw	County Treasurer
Tommy Sampson	Coroner
Bob Walters	Magistrate
Robert L. Samples	Magistrate
Cordy Armstrong	Magistrate
Howell Raizor	Magistrate
Tony Carriss	Magistrate
Mike Whitehouse	Magistrate
Robert F. Wilson	Magistrate

STATEMENT OF ASSETS, LIABILITIES,
AND FUND BALANCES ARISING FROM CASH TRANSACTIONS

SHELBY COUNTY
STATEMENT OF ASSETS, LIABILITIES,
AND FUND BALANCES ARISING FROM CASH TRANSACTIONS

June 30, 1998

Assets and Other Resources

Assets

General Fund:

Cash	\$ 1,141,397
Investments	3,582,283
Notes Receivable (Note 4A)	46,789

Road and Bridge Fund:

Cash	199,976
Investments	800,000

Jail Fund:

Cash	2,747
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Jail Commissary Fund:

Cash	30,718
------	--------

Local Government Economic Assistance Fund:

Cash	293,746
------	---------

Emergency Medical Services Fund:

Cash	38,042
------	--------

Revolving Fund:

Cash	56,280
Notes Receivable (Note 4B)	32,172

Community Development Block Grant Fund:

Cash	85,344
Notes Receivable (Note 4C)	51,846

Special Fund:

Cash	4,441
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Occupational License Fee Fund:

Cash	54,200
------	--------

Payroll Account - Cash

387

City Tax Account - Cash

2

Other Resources

Special Fund:

Amounts to be Provided by the City of Simpsonville	
in Future Years for Capital Lease Principal Payments	483,000
Amounts to be Provided by US 60 Water District in	
Future Years for Capital Lease Principal Payments	280,000
	280,000

Total Assets and Other Resources

\$ 7,183,370

The accompanying notes are an integral part of the financial statements.

SHELBY COUNTY
STATEMENT OF ASSETS, LIABILITIES, AND FUND BALANCES
ARISING FROM CASH TRANSACTIONS
June 30, 1998
(Continued)

Liabilities and Fund Balances

Liabilities

Deferred Revenue:

General Fund (Note A)	\$ 46,789
Revolving Fund (Note B)	32,172
Community Development Block Grant Fund (Note 4C)	51,846

Special Fund:

Capital Lease Principal Obligation (Note 4D)	763,000
Operating Account - Overdraft	282
Payroll Account	387
City Tax Account	2

Fund Balances

Reserved:

Jail Commissary Fund	30,718
Revolving Fund	56,280
Community Development Block Grant Fund	85,344
Special Fund	4,441

Unreserved:

General Fund	4,723,680
Road and Bridge Fund	999,976
Jail Fund	2,747
Local Government Economic Assistance Fund	293,746
Emergency Medical Services Fund	38,042
Occupational License Fee Fund	54,200
Operating Account	(282)

Total Liabilities and Fund Balances	<u>\$ 7,183,370</u>
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The accompanying notes are an integral part of the financial statements.

STATEMENT OF CASH RECEIPTS,
CASH DISBURSEMENTS, AND CHANGES IN CASH BALANCES

SHELBY COUNTY
STATEMENT OF CASH RECEIPTS,
CASH DISBURSEMENTS, AND CHANGES IN CASH BALANCES

Fiscal Year Ended June 30, 1998

	Totals (Memorandum Only)	General Fund	Road and Bridge Fund	Jail Fund
<u>Cash Receipts</u>				
Operating Revenue - Schedule B	\$ 7,980,001	\$ 3,862,162	\$ 972,093	\$ 410,855
Transfers In	2,745,843	1,655,500	207,868	563,500
Kentucky Advance Revenue Program	1,393,390	1,393,390		
Jail Commissary Fund Receipts	91,376			
Total Cash Receipts	<u>\$ 12,210,610</u>	<u>\$ 6,911,052</u>	<u>\$ 1,179,961</u>	<u>\$ 974,355</u>
<u>Cash Disbursements</u>				
Budgeted Operating Expenditures - Schedule C	\$ 7,023,354	\$ 3,807,564	\$ 1,227,621	\$ 972,817
City of Simpsonville	78,715			
Transfers Out	2,745,843	890,343		
Kentucky Advance Revenue Program Repaid	1,393,390	1,393,390		
Bank Charges	74			
Capital Lease - Principal Paid	26,000			
Jail Commissary Fund Expenditures	66,076			
Total Cash Disbursements	<u>\$ 11,333,452</u>	<u>\$ 6,091,297</u>	<u>\$ 1,227,621</u>	<u>\$ 972,817</u>
Excess (Deficiency) of Cash Receipts Over (Under) Cash Disbursements	\$ 877,158	\$ 819,755	\$ (47,660)	\$ 1,538
Cash Balance - July 1, 1997*	<u>5,412,016</u>	<u>3,903,925</u>	<u>1,047,636</u>	<u>1,209</u>
Cash Balance - June 30, 1998*	<u>\$ 6,289,174</u>	<u>\$ 4,723,680</u>	<u>\$ 999,976</u>	<u>\$ 2,747</u>

*Cash Balance Includes Investments

The accompanying notes are an integral part of the financial statements.

SHELBY COUNTY
STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN CASH BALANCES
Fiscal Year Ended June 30, 1998
(Continued)

Jail Commissary Fund	Local Government Economic Assistance Fund	Emergency Medical Services Fund	Revolving Fund	Community Development Block Grant Fund	Special Fund
\$ 5,000	\$ 42,065	\$ 615,463 313,975	\$ 22,595	\$ 14,603	\$ 65,639
91,376					
\$ 96,376	\$ 42,065	\$ 929,438	\$ 22,595	\$ 14,603	\$ 65,639
\$	\$ 32,092	\$ 940,772	\$ 2,934	\$	\$ 39,554
66,076					26,000
\$ 66,076	\$ 32,092	\$ 940,772	\$ 2,934	\$ 0	\$ 65,554
\$ 30,300 418	\$ 9,973 283,773	\$ (11,334) 49,376	\$ 19,661 36,619	\$ 14,603 70,741	\$ 85 4,356
\$ 30,718	\$ 293,746	\$ 38,042	\$ 56,280	\$ 85,344	\$ 4,441

The accompanying notes are an integral part of the financial statements.

SHELBY COUNTY
 STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
 CHANGES IN CASH BALANCES
 Fiscal Year Ended June 30, 1998
 (Continued)

<u>Cash Receipts</u>	<u>Occupational License Fee Fund</u>
Operating Revenue - Schedule B	\$ 1,974,526
Transfers In	
Kentucky Advance Revenue Program	
Jail Commissary Fund Receipts	
	<hr/>
Total Cash Receipts	<u>\$ 1,974,526</u>
 <u>Cash Disbursements</u>	
Budgeted Operating Expenditures -	
Schedule C	\$
City of Simpsonville	78,715
Transfers Out	1,855,500
Kentucky Advance Revenue Program	
Repaid	
Bank Charges	74
Capital Lease - Principal Paid	
Jail Commissary Fund Expenditures	
	<hr/>
Total Cash Disbursements	<u>\$ 1,934,289</u>
Excess (Deficiency) of Cash Receipts	
Over (Under) Cash Disbursements	\$ 40,237
Cash Balance - July 1, 1997*	<u>13,963</u>
Cash Balance - June 30, 1998*	<u><u>\$ 54,200</u></u>

*Cash Balance Includes Investments

The accompanying notes are an integral part of the financial statements.

SHELBY COUNTY
NOTES TO FINANCIAL STATEMENTS

June 30, 1998

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

The financial statements of Shelby County include the funds, agencies, boards, and entities for which the fiscal court is financially accountable. Financial accountability, as defined by Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards, as amended by GASB 14, was determined on the basis of the government's ability to significantly influence operations, select the governing authority, participate in fiscal management and the scope of public service. Based upon the criteria stated in GASB 14, management has included the Jail Commissary Fund as part of the reporting entity.

B. Fund Accounting

Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. The government uses funds to report on its financial position and the results of its operations. A fund is a separate accounting entity with a self-balancing set of accounts.

C. Basis of Accounting

The financial statements were prepared on a cash basis of accounting pursuant to Kentucky Revised Statute (KRS) 68.210 as recommended by the State Local Finance Officer. Consequently, certain revenues and related assets are recognized when received rather than when earned, and certain expenses are recognized when paid rather than when a liability is incurred. The cash basis accounting system does not require an entity to maintain a general fixed asset group or a general long-term debt group of accounts.

D. Legal Compliance - Budget

The Shelby County budget is adopted on a cash basis of accounting and laws of Kentucky as required by the State Local Finance Officer. The County Judge/Executive is required to submit estimated receipts and proposed expenditures to the fiscal court by May 1 of each year. The budget is prepared by fund, function, and activity and is required to be adopted by the fiscal court by July 1.

The fiscal court may change the original budget by transferring appropriations at the activity level; however, the fiscal court may not increase the total budget without approval by the State Local Finance Officer. Expenditures may not exceed budgeted appropriations at the activity level.

E. Cash and Investments

Cash includes amounts in bank accounts, and investments are stated at cost. Investments may include certificates of deposit on the financial statements; however, for the purpose of disclosing credit risk (Note 3), investments exclude certificates of deposit.

SHELBY COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 1998
(Continued)

Note 1. (Continued)

E. Cash and Investments (Continued)

KRS 66.480 authorizes the county to invest in the following, including but not limited to, obligations of the United States and of its agencies and instrumentalities, obligations and contracts for future delivery or purchase of obligations backed by the full faith and credit of the United States, obligations of any corporation of the United States government, bonds or certificates of indebtedness of this state, and certificates of deposit issued by or other interest-bearing accounts of any bank or savings and loan institution which are insured by the Federal Deposit Insurance Corporation (FDIC) or which are collateralized, to the extent uninsured, by any obligation permitted by KRS 41.240(4).

Note 2. Employee Retirement System

The county has elected to participate in the County Employees Retirement System (CERS), pursuant to KRS 78.530 administered by the Board of Trustees of the Kentucky Retirement Systems. This is a multiple-employer public retirement system which covers all eligible full-time employees. Benefit contributions and provisions are established by statute. Nonhazardous covered employees are required to contribute 5 percent of their salary to the plan. The county's contribution rate for nonhazardous employees was 8.65 percent. Hazardous covered employees are required to contribute 7 percent of their salary to the plan. The county's contribution rate for hazardous employees was 18.21 percent.

Benefits fully vest on reaching five years of service for nonhazardous employees. Aspects of benefits for nonhazardous employees include retirement after 27 years of service or age 65. Aspects of benefits for hazardous employees include retirement after 20 years of service or age 55.

Historical trend information showing the CERS' progress in accumulating sufficient assets to pay benefits when due is present in the Kentucky Retirement Systems' annual financial report.

Note 3. Deposits

The county maintains deposits with depository institutions insured by the Federal Deposit Insurance Corporation (FDIC). According to law, the depository institution should pledge sufficient securities as collateral which, together with FDIC insurance, equals or exceeds the amount on deposit at all times. In order to be valid against the FDIC in the event of failure or insolvency of the depository institution, this pledge of securities should be evidenced by an agreement that is (a) in writing, (b) approved by the board of directors of the depository institution or its loan committee, which approval must be reflected in the minutes of the board or committee, and (c) an official record of the depository institution. This agreement, signed by both parties, must be sufficient to create an enforceable and perfected security interest in the collateral under Kentucky law. The county met the requirements stated above, and as of June 30, 1998, deposits were fully insured or collateralized at a 100% level with securities held by the county's agent in the county's name.

SHELBY COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 1998
(Continued)

Note 4. Notes Receivables, Leases, and Liabilities

A. General Fund - Note Receivable

- 1) On August 13, 1985, the Shelby County Fiscal Court loaned the Shelby County Sanitation District #1 \$65,000 for the purpose of securing easements for a sanitary sewer system project. Interest is payable at an annual rate of 7.5 percent, and the loan is to be repaid when funds become available. The balance receivable on June 30, 1998, was \$46,789.

B. Revolving Fund - Notes Receivable

- 1) During project year 1984, CDBG No. B-84-DC-21-0001(024) for \$123,000 was awarded to Shelby County and Logan's Textile Rental for a relocation and expansion project. The Corporation is obligated to repay the Shelby County Revolving Fund \$123,000 at a 3 percent interest rate over 15 years. The payments, including interest, are \$1,070 per month, and as of June 30, 1998, the amount due was \$19,172.
- 2) During project year 1984, CDBG No. B-84-DC-0001(002) for \$120,000 was awarded to Shelby County and American Emblem Tool Company, Inc. for a retention and expansion project. The Corporation is obligated to repay the Shelby County Revolving Fund \$120,000 at a 3 percent interest rate over 15 years. The agreement requires quarterly payments of \$2,000 plus interest. The balance receivable on June 30, 1998, was \$13,000.

The total Revolving Fund notes receivable balance at June 30, 1998, was \$32,172

C. Community Development Block Grant Fund - Note Receivable

During project year 1991, CDBG No. B-91-DC-21-0001-(047) for \$132,000 was awarded to Shelby County and Logan's Uniform Division for a relocation and expansion project. The Corporation is obligated to repay the Shelby County CDBG Fund \$120,000 at a 3 percent interest rate over 10 years. The payments, including interest, are \$1,159 per month, and on June 30, 1998, the amount due was \$51,846.

D. Special Fund - Leases and Liabilities

1) Simpsonville Sewer Plant

On September 1, 1992, Shelby County Fiscal Court entered into a lease agreement with the Kentucky Association of Counties Leasing Trust (KACoLT) Program for \$560,000. This money was then subleased to the City of Simpsonville for the purpose of making improvements to the Simpsonville Sewer Plant. During the fiscal year, the county received \$14,000 principal and \$26,606 interest from the City of Simpsonville. The county then paid this money to Bank One (the trustee). The balance of the receivable and the liability on June 30, 1998, was \$483,000.

SHELBY COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 1998
(Continued)

Note 4. Notes Receivables, Leases, and Liabilities (Continued)

D. Special Fund - Leases and Liabilities (Continued)

2) US 60 Water District (Woodlawn)

On November 1, 1993, Shelby County Fiscal Court entered into a lease agreement with the Kentucky Association of Counties Leasing Trust (KACoLT) Program for \$237,000. The purpose of the lease was for waterline extension. The project was subleased to the US 60 Water District. During the fiscal year, the county received \$9,000 principal and \$9,738 interest from the US 60 Water District. The county then paid this money to Bank One (the trustee). The balance of the receivable and the liability on June 30, 1998, was \$202,000.

3) US 60 Water District (Rockbridge)

On August 7, 1996, Shelby County Fiscal Court entered into a lease agreement with the Kentucky Association of Counties Leasing Trust (KACoLT) Program for \$80,000. The purpose of the lease was for construction of rural water lines. The project was subleased to the US 60 Water District. During the fiscal year, the county received \$2,000 principal and \$3,892 interest from the US 60 Water District. The county then paid this money to Bank One (the trustee). The balance of the receivable and the liability on June 30, 1998, was \$78,000.

Total Special Fund Leases and Liabilities were \$763,000 as of June 30, 1998.

Note 5. Insurance

For the fiscal year ended June 30, 1998, Shelby County was a member of the Kentucky Association of Counties' All Lines Insurance Fund (KALF). KALF is a self-insurance fund and was organized to obtain lower cost coverage for general liability, property damage, public officials' errors and omissions, public liability, and other damages. The basic nature of a self-insurance program is that of a collectively shared risk by its members. If losses incurred for covered claims exceed the resources contributed by the members, the members are responsible for payment of the excess losses.

COMPARATIVE SCHEDULE OF
BUDGETED TO ACTUAL OPERATING REVENUE

SHELBY COUNTY
COMPARATIVE SCHEDULE OF
BUDGETED TO ACTUAL OPERATING REVENUE

Fiscal Year Ended June 30, 1998

<u>Budgeted Funds</u>	<u>Budgeted Operating Revenue</u>	<u>Actual Operating Revenue</u>	<u>Over (Under) Budget</u>
General Fund	\$ 1,489,845	\$ 3,862,162	\$ 2,372,317
Road and Bridge Fund	837,917	972,093	134,176
Jail Fund	1,206,556	410,855	(795,701)
Local Government Economic Assistance Fund	(251,441)	42,065	293,506
Emergency Medical Services Fund	908,802	615,463	(293,339)
Revolving Fund	(14,698)	22,595	37,293
Community Development Block Grant Fund	(56,138)	14,603	70,741
Special Fund	64,063	65,639	1,576
Total	<u>\$ 4,184,906</u>	<u>\$ 6,005,475</u>	<u>\$ 1,820,569</u>

Reconciliation

Total Budgeted Operating Revenue Above	\$ 4,184,906
Add: Budgeted Prior Year Surplus	5,397,635
Less: Other Financing Uses	<u>(26,000)</u>
Total Operating Budget Per Comparative Schedule Of Final Budget and Budgeted Expenditures	<u>\$ 9,556,541</u>

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SCHEDULE OF OPERATING REVENUE

SHELBY COUNTY
SCHEDULE OF OPERATING REVENUE

Fiscal Year Ended June 30, 1998

	Totals (Memorandum Only)	General Fund	Road and Bridge Fund	Jail Fund
<u>Revenue From Local Taxes and Excess Fees</u>				
Sheriff:				
Taxes	\$ 1,561,950	\$ 1,561,950	\$	\$
Excess Fees - 1996	130,000	130,000		
Excess Fees - 1997	27,769	27,769		
County Clerk:				
Deed Transfer Tax	126,968	126,968		
Delinquent Taxes	24,641	24,641		
Excess Fees - 1997	222,433	222,433		
Tangible Personal Property Taxes:				
Other Counties	31,432	31,432		
County Clerk	208,885	208,885		
Omitted Personal Property	50,736	50,736		
Other Ad Valorem	33,090	33,090		
Bank Deposit Franchise Tax	75,818	75,818		
Occupational Employment Tax	1,995,117	23,184		
Totals	\$ 4,488,839	\$ 2,516,906	\$ 0	\$ 0
<u>Federal Receipts - State Treasurer</u>				
Federal DES/FEMA Reimbursement Disaster and Emergency Assistance Grants - Coordinator Salary	\$ 7,931	\$ 7,931	\$	\$
	2,064	2,064		
Totals	\$ 9,995	\$ 9,995	\$ 0	\$ 0
<u>Kentucky State Treasurer</u>				
Jail:				
Allotments	\$ 73,183	\$	\$	\$ 73,183
Medical Allotments	19,183			19,183
DUI Service Fees	8,855			8,855
Housing State Prisoners	37,121			37,121
Class D Felons	150,263			150,263

SHELBY COUNTY
SCHEDULE OF OPERATING REVENUE
Fiscal Year Ended June 30, 1998
(Continued)

Local Government Economic Assistance Fund	Emergency Medical Services Fund	Revolving Fund	Community Development Block Grant Fund	Special Fund	Occupational License Fee Fund
\$	\$	\$	\$	\$	\$
					1,971,933
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,971,933
\$	\$	\$	\$	\$	\$
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
\$	\$	\$	\$	\$	\$

SHELBY COUNTY
 SCHEDULE OF OPERATING REVENUE
 Fiscal Year Ended June 30, 1998
 (Continued)

	Totals (Memorandum Only)	General Fund	Road and Bridge Fund	Jail Fund
<u>Kentucky State Treasurer (Continued)</u>				
Truck License Distribution	\$ 151,651	\$	\$ 151,651	\$
County Road Aid	715,955		715,955	
Base Court Revenue	47,307	47,307		
Election Expense Reimbursement				
Courthouse Rental - AOC	59,857	59,857		
Refunds:				
Legal Process Tax	184	184		
Drivers Licenses	2,896		2,896	
Dog Licenses	1,062	1,062		
Sheriff Bond Premium	102	102		
Board of Assessments	200	200		
Severance Taxes:				
Coal Impact	30,108			
Grants:				
Senate Bill 66	31,847			
Disaster and Emergency Assistance				
Grant - Coordinator Salary	557	557		
HUD Disaster Recovery				
Redevelopment Project	12,049	12,049		
Abandoned Mine/Land Reclamation	97,590	97,590		
Totals	\$ 1,439,970	\$ 218,908	\$ 870,502	\$ 288,605

Miscellaneous Revenue

Interest Earned	\$ 286,231	\$ 213,860	\$ 56,523	\$
Circuit Court Clerk:				
Jail Cost	32,030			32,030
Boarding Fees	3,420			3,420
Work Release	17,095			17,095
Licenses and Permits:				
Building Permits	44,921	44,921		
Cable TV Franchise	42,100	42,100		
Charges for Services:				
Emergency Medical Service	573,188			
Dog Pound	1,510	1,510		

SHELBY COUNTY
SCHEDULE OF OPERATING REVENUE
Fiscal Year Ended June 30, 1998
(Continued)

Local Government Economic Assistance Fund	Emergency Medical Services Fund	Revolving Fund	Community Development Block Grant Fund	Special Fund	Occupational License Fee Fund
\$	\$	\$	\$	\$	\$
30,108	31,847				
<u>\$ 30,108</u>	<u>\$ 31,847</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
\$ 11,957	\$	\$ 1,213	\$	\$ 85	\$ 2,593

573,188

SHELBY COUNTY
 SCHEDULE OF OPERATING REVENUE
 Fiscal Year Ended June 30, 1998
 (Continued)

	Totals (Memorandum Only)	General Fund	Road and Bridge Fund	Jail Fund
<u>Miscellaneous Revenue (Continued)</u>				
Telephone Commission	\$ 22,647	\$ 45	\$	\$ 22,602
Rentals and Leases (Miscellaneous)	4,800	4,800		
Courthouse Rentals	1,200	1,200		
Reimbursement For Services	4,052			
Jail Contract with Other Counties	46,972			46,972
Land Sales	10,000	10,000		
Revolving Loan Revenue	35,985			
Reimbursements:				
City of Shelbyville	6,617	6,617		
County Clerk, Sheriff, and				
Landfill Payrolls	475,590	433,845	41,745	
Resource Center	1,406	1,406		
Community Center	925	925		
Other Government Agencies -				
Fire, Sheriff, Health, Water	320,351	320,351		
City of Simpsonville	40,848			
Insurance	29,058	19,827	2,872	
U.S. 60 Water District (Rockbridge)	6,373			
U.S. 60 Water District (Woodlawn)	18,333			
Miscellaneous Items	15,545	14,946	451	131
Totals	\$ 2,041,197	\$ 1,116,353	\$ 101,591	\$ 122,250
Total Operating Revenue	\$ 7,980,001	\$ 3,862,162	\$ 972,093	\$ 410,855

SHELBY COUNTY
SCHEDULE OF OPERATING REVENUE
Fiscal Year Ended June 30, 1998
(Continued)

Local Government Economic Assistance Fund	Emergency Medical Services Fund	Revolving Fund	Community Development Block Grant Fund	Special Fund	Occupational License Fee Fund
\$	\$	\$	\$	\$	\$
	4,052				
		21,382	14,603		
				40,848	
	6,359			6,373	
				18,333	
	17				
\$ 11,957	\$ 583,616	\$ 22,595	\$ 14,603	\$ 65,639	\$ 2,593
\$ 42,065	\$ 615,463	\$ 22,595	\$ 14,603	\$ 65,639	\$ 1,974,526

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COMPARATIVE SCHEDULE OF
FINAL BUDGET AND BUDGETED EXPENDITURES

SHELBY COUNTY
COMPARATIVE SCHEDULE OF
FINAL BUDGET AND BUDGETED EXPENDITURES

Fiscal Year Ended June 30, 1998

	<u>Final</u> <u>Budget</u>	<u>Budgeted</u> <u>Expenditures</u>	<u>Under</u> <u>(Over)</u> <u>Budget</u>
<u>GENERAL FUND</u>			
<u>General Government</u>			
Office of County Judge/Executive:			
Salaries-			
County Judge/Executive	\$ 48,350	\$ 48,343	\$ 7
Deputy County Judge/Executive	9,353	9,353	
Finance Officer	27,615	27,615	
Administrative Assistant	19,810	19,810	
Secretary Assistant	13,250	10,703	2,547
Advertising	4,465	4,460	5
Maintenance and Repair Services -			
Office Equipment	6,000	4,499	1,501
Data Processing Supplies	1,000	780	220
Office Supplies	2,775	2,766	9
Postage Charges	1,500	1,494	6
Office Equipment	35,450	35,409	41
Office of County Attorney:			
Salaries-			
County Attorney	35,039	35,039	
Assistant County Attorney	8,521	8,521	
Secretary	16,799	16,799	
Audit/Child Support	2,500		2,500
Office Supplies	4,230	4,228	2
Liability Insurance	1,543	1,543	
Dues	1,100		1,100
Office of County Clerk:			
Salaries-			
County Clerk	48,477	48,476	1
Deputies	194,405	194,340	65
Expense Allowance	3,600	3,600	
Advertising	600	62	538
Maintenance and Repair Services -			
Office Equipment	5,330	5,311	19
Book Binding	5,064	5,064	
Tax Bill Preparation	13,226	13,226	

SHELBY COUNTY
 COMPARATIVE SCHEDULE OF
 FINAL BUDGET AND BUDGETED EXPENDITURES
 Fiscal Year Ended June 30, 1998
 (Continued)

	Final Budget	Budgeted Expenditures	Under (Over) Budget
<u>GENERAL FUND (Continued)</u>			
<u>General Government (Continued)</u>			
Office of County Clerk: (Continued)			
Office Supplies	\$ 8,450	\$ 8,409	\$ 41
Telephone	4,000	3,712	288
Office of Sheriff:			
Salaries-			
Sheriff	48,485	48,485	
Deputies	109,296	108,110	1,186
Overtime	28,000	27,313	687
Part-Time Personnel	38,800	37,582	1,218
Other Wages	86,211	86,210	1
Machinery and Equipment	8,136	8,136	
Travel	200	164	36
Office of County Coroner:			
Salaries-			
County Coroner	10,695	10,695	
Deputies	7,502	7,501	1
Autopsies and Attendant Services	480	346	134
Gasoline	4,829	4,829	
Office Supplies	1,545	1,539	6
Telephone	1,500	1,391	109
Training	260	68	192
Maintenance Equipment	1,160	1,146	14
Fiscal Court:			
Magistrates Salaries	98,447	98,446	1
Clean Community Program (CCP) -			
Salaries-			
Director	20,000	20,000	
Part-Time	1,932	1,930	2
Legal Fees	15,000	9,993	5,007
Park Construction	500,000		500,000
Other Contracted Services	11,038	11,038	
Gasoline for Sheriff Vehicle	1,050	1,021	29
Office Supplies - CCP	1,550	1,503	47

SHELBY COUNTY
 COMPARATIVE SCHEDULE OF
 FINAL BUDGET AND BUDGETED EXPENDITURES
 Fiscal Year Ended June 30, 1998
 (Continued)

	Final Budget	Budgeted Expenditures	Under (Over) Budget
<u>GENERAL FUND (Continued)</u>			
<u>General Government (Continued)</u>			
Fiscal Court: (Continued)			
Contributions-			
Development Corporation	\$ 35,000	\$ 35,000	\$
Chamber of Commerce Business			
Retention	5,000	5,000	
Merchants Association	2,000	2,000	
Agriculture Development Council	620	620	
Shelby County Tourism Commission	5,000	5,000	
Project Graduation	200		200
Leadership Shelby	3,000	3,000	
American Legion Baseball	200	200	
Wessinger Pro Golf	1,000	1,000	
Licenses	90		90
Memberships-			
Chamber of Commerce	350	350	
Development Corporation	200		
KY Coal Counties Coalition	250	250	
KY County Judge/Executive			
Association	1,155	1,155	
KY Magistrates Association	923	923	
KY Heritage RC and D	50	50	
KIPDA	2,900	2,875	25
KACO	1,100	900	200
NACO	425	425	
Postal Charges - CCP	100		100
Registrations, Conferences, and			
Training	4,500	4,279	221
Telephone - Crimestoppers	300	260	40
Telephone - CCP	710	710	
Sheriff Car Phones	7,800	6,767	1,033
Sheriff Transportation Expense	300		300
Maintenance and Repair Services -			
Sheriff	1,000	759	241
DARE Education	5,000	3,393	1,607
Miscellaneous - CCP	600	585	15
Law Enforcement Equipment	2,005	2,005	

SHELBY COUNTY
 COMPARATIVE SCHEDULE OF
 FINAL BUDGET AND BUDGETED EXPENDITURES
 Fiscal Year Ended June 30, 1998
 (Continued)

	Final Budget	Budgeted Expenditures	Under (Over) Budget
<u>GENERAL FUND (Continued)</u>			
<u>General Government (Continued)</u>			
Fiscal Court: (Continued)			
Motor Vehicles - Sheriff	\$ 202,950	\$ 202,950	\$
Payments to Government Agencies	350,535	250,535	100,000
Office of Property Valuation Administrator:			
Statutory Contribution	58,572	50,700	7,872
Prior Year Allocation	150	150	
Telephone	2,260	2,221	39
Office of Board of Assessment Appeals:			
Board and Committee Members Fees	2,000	500	1,500
Office of County Treasurer:			
County Treasurer Salary	25,693	25,693	
Office Supplies	11,000	2,831	8,169
Postal Charges	500	498	2
Office of Tax Administration:			
Administrator Salary	33,258	33,258	
Maintenance and Repair Services -			
Office Equipment	3,100	3,078	22
Data Processing Supplies	500		500
Office Supplies	900	877	23
Postal Charges	1,900	1,828	72
Telephone	1,000	903	97
Office Equipment	10,000	1,829	8,171
County Law Library:			
Library Services	1,200	1,200	
Elections:			
Per Diem-			
Election Commissioners	3,100	960	2,140
Election Officers	17,000	7,100	9,900
Advertising	2,000	1,535	465
Polling Places	1,000		1,000
Other Supplies and Materials	700	696	4

SHELBY COUNTY
 COMPARATIVE SCHEDULE OF
 FINAL BUDGET AND BUDGETED EXPENDITURES
 Fiscal Year Ended June 30, 1998
 (Continued)

	<u>Final Budget</u>	<u>Budgeted Expenditures</u>	<u>Under (Over) Budget</u>
<u>GENERAL FUND (Continued)</u>			
<u>General Government (Continued)</u>			
Elections: (Continued)			
Maintenance and Repair Services -			
Voting Machines	\$ 300	\$	\$ 300
Planning and Zoning:			
Fees	3,600	3,600	
Courthouse:			
Salaries-			
Custodial Personnel	14,136	13,876	260
Part-Time Personnel	1,000	975	25
Maintenance	18,160	14,318	3,842
Laundry Services	2,773	2,773	
Elevator Maintenance	1,400	1,217	183
Custodial Supplies	2,100	1,471	629
Refunds	2,000	1,410	590
Renewals and Repairs	25,000	15,715	9,285
Telephone	9,000	8,826	174
Utilities	22,000	19,278	2,722
Other County Properties:			
Maintenance and Repair Services -			
Buildings	1,700	52	1,648
Community Center	7,700	7,677	23
Underground Tanks	5,000	150	4,850
Telephone	750	717	33
Utilities	11,110	11,107	3
Annex Building:			
Maintenance and Repair Services -			
Buildings	7,238	7,238	
Utilities	8,000	5,949	2,051
<u>Protection to Persons and Property</u>			
Constables:			
Constables Salary	31,723	31,723	
Uniforms	1,400	607	793

SHELBY COUNTY
 COMPARATIVE SCHEDULE OF
 FINAL BUDGET AND BUDGETED EXPENDITURES
 Fiscal Year Ended June 30, 1998
 (Continued)

	Final Budget	Budgeted Expenditures	Under (Over) Budget
<u>GENERAL FUND (Continued)</u>			
<u>Protection to Persons and Property (Continued)</u>			
Building Code Enforcement:			
Inspector Salary	\$ 7,200	\$ 7,200	\$
Building Inspection Fees	32,470	32,470	
Travel Expenses	1,800	1,800	
Refunds	880	876	4
Telephone	600	546	54
County Fire Department:			
Contributions	17,479	17,479	
Disaster and Emergency Services:			
Director Salary	8,845	8,845	
Gasoline	1,728	1,728	
Machinery and Equipment	18,150	18,118	32
Office Supplies	250	209	41
Telephone	2,000	1,679	321
Maintenance and Repair Services	5,234	5,230	4
Safety Program	31,892	25,285	6,607
Forest Fire Protection:			
Kentucky State Treasurer	898	838	60
Commonwealth Attorney:			
Contribution	9,000	9,000	
Office of Public Defender:			
Public Advocacy Program	3,103	3,103	
<u>General Health and Sanitation</u>			
Dog Control:			
Salaries-			
Animal Control Officer	14,750	13,263	1,487
Assistants	19,825	19,691	134
Maintenance and Grounds	4,500	2,288	2,212
Control Fees	2,000	1,818	182

SHELBY COUNTY
 COMPARATIVE SCHEDULE OF
 FINAL BUDGET AND BUDGETED EXPENDITURES
 Fiscal Year Ended June 30, 1998
 (Continued)

	Final Budget	Budgeted Expenditures	Under (Over) Budget
<u>GENERAL FUND (Continued)</u>			
<u>General Health and Sanitation (Continued)</u>			
Dog Control: (Continued)			
Animal Food and Supplies	\$ 4,500	\$ 3,831	\$ 669
Gasoline	2,020	2,002	18
Telephone	1,000	990	10
Car Telephone	1,000	991	9
Utilities	1,300	1,162	138
Uniforms	1,000	748	252
Miscellaneous	250	100	150
Sanitary Landfill:			
Plant Operations Equipment	66,405		66,405
Water System:			
Special Projects	100,000	34,000	66,000
Soil and Water Conservation:			
Contribution	25,000	25,000	
Flood Control Projects:			
Miscellaneous	12,049	8,941	3,108
<u>Social Services</u>			
Service to Indigents:			
Contributions-			
Resource Center	14,200	14,200	
Big Brothers/Big Sisters	5,000	5,000	
Senior Citizens Program:			
Meals On Wheels	2,000	2,000	
Contribution - Senior Citizens	20,000	20,000	
Services to Children and Youth:			
Contributions-			
Ruritan Clubs	35,000	35,000	
Community Centers	2,500	2,500	
Dorman Training Center	5,000	5,000	
Utilities	14,520	13,170	1,350

SHELBY COUNTY
 COMPARATIVE SCHEDULE OF
 FINAL BUDGET AND BUDGETED EXPENDITURES
 Fiscal Year Ended June 30, 1998
 (Continued)

	Final Budget	Budgeted Expenditures	Under (Over) Budget
<u>GENERAL FUND (Continued)</u>			
<u>Social Services (Continued)</u>			
Friend of the Court:			
Youth Counselor Salary	\$ 19,000	\$ 19,000	\$
Medical Services	1,946	1,946	
Pauper Burials	2,300	2,300	
Food	3,950	494	3,456
General Charity and Welfare:			
General Charity and Welfare	15,000	15,000	
County Farm:			
County Property Improvements	50,000	27,517	22,483
County Property Machine/Equipment	10,000	7,423	2,577
Other Social Service Programs:			
Contributions	5,000	5,000	
<u>Recreation and Culture</u>			
Parks:			
Contract Construction	60,000	54,632	5,368
Contributions-			
Summer Youth Program	3,000	3,000	
Parks and Recreation Board	122,500	122,500	
Land Grant Expenses	95,170	94,910	260
Fountain-			
Contributions	500	196	304
Celebrations, Festivals, and Cultural Programs:			
Contributions	20,450	20,450	
Other Cultural Programs:			
Historic Preservation	2,000	2,000	

SHELBY COUNTY
 COMPARATIVE SCHEDULE OF
 FINAL BUDGET AND BUDGETED EXPENDITURES
 Fiscal Year Ended June 30, 1998
 (Continued)

	Final Budget	Budgeted Expenditures	Under (Over) Budget
<u>GENERAL FUND (Continued)</u>			
<u>Capital Projects</u>			
Streets and Highways:			
Contributions-			
Shelby County Board of Education	\$ 45,000	\$ 45,000	\$
Other Capital Projects:			
Jail Construction	1,000,000	891,107	108,893
<u>Administration</u>			
General Services:			
Audit Services	22,465	21,977	488
Insurance-			
Contractor	8,328	8,328	
Boiler	1,540	1,540	
Building and Contents	20,438	8,378	12,060
Errors and Omissions	4,395	4,395	
Liability	18,924	17,404	1,520
Fidelity and Security Bonds	7,100	5,503	1,597
Professional Liability	4,190	4,190	
Vehicles and Equipment	6,424	6,423	1
County Assessment	11,992	11,540	452
Miscellaneous	1,000	538	462
Transfers to Other Funds:			
Reserve for Transfers	528,556		528,556
Fringe Benefits (Employer's Share):			
County Contributions-			
Social Security	81,000	77,902	3,098
Retirement	96,000	81,990	14,010
Employee Insurance - Health	55,000	54,044	956
Unemployment Insurance	10,000		10,000
Worker's Compensation	59,500	28,301	31,199
Total General Fund	<u>\$ 5,393,770</u>	<u>\$ 3,807,564</u>	<u>\$ 1,586,006</u>

SHELBY COUNTY
 COMPARATIVE SCHEDULE OF
 FINAL BUDGET AND BUDGETED EXPENDITURES
 Fiscal Year Ended June 30, 1998
 (Continued)

	Final Budget	Budgeted Expenditures	Under (Over) Budget
<u>ROAD AND BRIDGE FUND</u>			
<u>Roads</u>			
Office of Road Supervisor/Engineer:			
Road Engineer Salary	\$ 45,300	\$ 45,300	\$
Office Supplies	1,110	1,029	81
Utilities	10,000	9,158	842
Road Maintenance:			
Road Worker Salaries	360,500	318,502	41,998
Contracted Services - Emergency	21,312	4,308	17,004
Asphalt	30,000		30,000
Hot Mix	508,924	246,902	262,022
Crushed Stone and Gravel	67,033	67,032	1
Diesel Fuel	12,500	6,448	6,052
Garage Supplies	9,300	9,291	9
Road Materials	33,100	7,159	25,941
Petroleum Products	25,000	20,088	4,912
Pipe - Concrete	34,305	34,300	5
Signs	8,445	4,467	3,978
Salt	10,500	6,010	4,490
Other Materials and Supplies			
Insurance - Liability	20,000	17,980	2,020
Insurance - Vehicles and Equipment	20,000	17,980	2,020
Road Repairs	62,828	62,827	1
Highway Equipment	38,290	29,718	8,572
<u>Road Facilities</u>			
Road Safety:			
Road Drug Enforcement	2,000	715	1,285
<u>Capital Projects</u>			
Buildings:			
Contracted Construction - Building	71,784	71,784	
Bridges:			
Contracted Construction - Bridges	350,622	132,376	218,246

SHELBY COUNTY
 COMPARATIVE SCHEDULE OF
 FINAL BUDGET AND BUDGETED EXPENDITURES
 Fiscal Year Ended June 30, 1998
 (Continued)

	Final Budget	Budgeted Expenditures	Under (Over) Budget
<u>ROAD AND BRIDGE FUND (Continued)</u>			
<u>Administration</u>			
Fringe Benefits (Employer's Share):			
County Contributions-			
Social Security	\$ 35,000	\$ 26,461	\$ 8,539
Retirement	40,000	30,980	9,020
Employee Insurance - Health	30,000	28,895	1,105
Unemployment Insurance	4,000		4,000
Worker's Compensation	33,700	27,911	5,789
Total Road and Bridge Fund	<u>\$ 1,885,553</u>	<u>\$ 1,227,621</u>	<u>\$ 657,932</u>

JAIL FUND

Protection to Persons and Property

Office of Jailer:

Salaries-			
Jailer	\$ 47,900	\$ 47,900	\$
Deputies	293,966	280,464	13,502
Administrative Assistance	22,160	22,154	6
Secretary	19,427	15,579	3,848
Cooks	32,860	29,686	3,174
Maintenance	29,120	29,120	
Part-Time Personnel	29,613	29,036	577
Contracts With Government Agencies	30,000	29,771	229
Maintenance and Repair Services -			
Buildings	5,000	2,083	2,917
Equipment	9,000	8,150	850
Custodial Supplies	30,600	30,584	16
Food	126,400	126,005	395
Linens	10,000	4,237	5,763
Office Supplies	4,200	3,895	305
Inmate Uniforms	3,700	1,611	
Staff Uniforms	7,000	6,212	788
Medical Services	54,000	53,806	194
Telephone	6,000	5,985	15
Travel	1,200	1,053	147
Utilities	50,000	36,555	13,445
Miscellaneous	2,200	1,988	

SHELBY COUNTY
 COMPARATIVE SCHEDULE OF
 FINAL BUDGET AND BUDGETED EXPENDITURES
 Fiscal Year Ended June 30, 1998
 (Continued)

	<u>Final Budget</u>	<u>Budgeted Expenditures</u>	<u>Under (Over) Budget</u>
<u>JAIL FUND (Continued)</u>			
<u>Protection to Persons and Property (Continued)</u>			
Juvenile Detention:			
Contracts With Government Agencies	\$ 73,300	\$ 73,258	\$ 42
Medical Services	1,000	788	212
<u>Administration</u>			
General Services:			
Insurance -			
Building	5,000	5,000	
Liability	10,000	10,000	
Memberships	300	150	150
Registrations, Conferences, and			
Training	2,000	1,157	843
Reserve for Transfer	141,999		141,999
Fringe Benefits (Employer's Share):			
County Contributions-			
Social Security	33,800	33,611	189
Retirement	36,800	25,505	11,295
Employee Insurance - Health	50,400	38,747	11,653
Unemployment Insurance	5,500		5,500
County Contributions-			
Worker's Compensation	33,320	18,727	14,593
Total Jail Fund	<u>\$ 1,207,765</u>	<u>\$ 972,817</u>	<u>\$ 232,647</u>
<u>LOCAL GOVERNMENT ECONOMIC ASSISTANCE FUND</u>			
<u>Roads</u>			
Road Maintenance-			
Contracted Construction - Bridges	<u>\$ 32,332</u>	<u>\$ 32,092</u>	<u>\$ 240</u>

SHELBY COUNTY
 COMPARATIVE SCHEDULE OF
 FINAL BUDGET AND BUDGETED EXPENDITURES
 Fiscal Year Ended June 30, 1998
 (Continued)

	Final Budget	Budgeted Expenditures	Under (Over) Budget
<u>EMERGENCY MEDICAL SERVICES</u>			
<u>Protection to Persons and Property</u>			
Ambulance Service:			
Salaries-			
Supervisor	\$ 36,934	\$ 36,934	\$
Bookkeeper	22,978	22,978	
Medical Personnel	457,445	454,141	3,304
Medical Director	3,600	3,600	
Mechanic	3,086	1,851	1,235
Maintenance Agreements	11,303	11,302	1
Maintenance and Repair Services-			
Radio	9,125	9,106	19
Vehicle	31,964	31,964	
Office Supplies	5,773	5,503	270
Petroleum Products	15,500	14,783	717
Uniforms	9,195	9,193	2
Other Materials and Supplies	9,525	9,524	1
Insurance	7,900	7,900	
Medical Supplies	51,935	51,934	1
Postal Charges	2,000	2,000	
Refunds	4,302	4,300	2
Registrations, Conferences, and			
Training	2,500	493	2,007
Renewals and Repairs	6,500	5,975	525
Telephone	12,080	12,079	1
Utilities	7,000	6,816	184
Motor Vehicles	67,975	67,975	
Other Equipment	25,817	25,232	585
Reserve for Transfers	6,245		6,245
<u>Administration</u>			
Fringe Benefits (Employer's Share):			
County Contributions-			
Social Security	38,066	37,759	307
Retirement	46,800	46,669	131
Employee Insurance - Health	42,278	42,034	244
Unemployment Compensation	1,625		1,625
Worker's Compensation	18,727	18,727	
Total Emergency Medical Services Fund	\$ 958,178	\$ 940,772	\$ 17,406

SHELBY COUNTY
 COMPARATIVE SCHEDULE OF
 FINAL BUDGET AND BUDGETED EXPENDITURES
 Fiscal Year Ended June 30, 1998
 (Continued)

	<u>Final Budget</u>	<u>Budgeted Expenditures</u>	<u>Under (Over) Budget</u>
<u>REVOLVING FUND</u>			
<u>General Government</u>			
Economic Development:			
Special Projects	\$ 21,921	\$ 2,934	\$ 18,987
<u>COMMUNITY DEVELOPMENT</u>			
<u>BLOCK GRANT</u>			
<u>General Health and Sanitation</u>			
Water System:			
Water Project	\$ 14,603	\$ 0	\$ 14,603
<u>SPECIAL FUND</u>			
<u>Debt Service</u>			
Borrowed Money (Notes):			
Interest on Lease-			
Simpsonville Sewer Project	\$ 25,848	\$ 25,848	\$
U.S. 60 Water District (Rockbridge)	11,406	9,333	2,073
U.S. 60 Water District (Woodlawn)	5,165	4,373	792
Total Operating Budget	\$ 42,419	\$ 39,554	\$ 2,865
Other Financing Uses:			
* Principal on Lease-			
Simpsonville Sewer Project	15,000	15,000	
U.S. 60 Water District (Rockbridge)	2,000	2,000	
U.S. 60 Water District (Woodlawn)	9,000	9,000	
Total Special Fund	\$ 68,419	\$ 65,554	\$ 2,865
Total Operating Budget - All Funds (Carried Forward)	\$ 9,556,541	\$ 7,023,354	\$ 2,533,187

SHELBY COUNTY
 COMPARATIVE SCHEDULE OF
 FINAL BUDGET AND BUDGETED EXPENDITURES
 Fiscal Year Ended June 30, 1998
 (Continued)

	<u>Final Budget</u>	<u>Budgeted Expenditures</u>	<u>Under (Over) Budget</u>
Total Operating Budget - All Funds (Brought Forward)	\$ 9,556,541	\$ 7,023,354	\$ 2,533,187
Other Financing Uses:			
* Principal on Lease-			
Simpsonville Sewer Project	15,000	15,000	
U.S. 60 Water District (Rockbridge)	2,000	2,000	
U.S. 60 Water District (Woodlawn)	9,000	9,000	
	<u> </u>	<u> </u>	<u> </u>
TOTAL BUDGET - ALL FUNDS	<u>\$ 19,139,082</u>	<u>\$ 14,072,708</u>	<u>\$ 5,066,374</u>

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REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER
FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS



Edward B. Hatchett, Jr. Auditor of Public Accounts

Honorable Bobby Stratton, County Judge/Executive
Members of the Shelby County Fiscal Court

Report On Compliance And On Internal Control Over Financial Reporting Based On An Audit Of Financial Statements Performed In Accordance With Government Auditing Standards

We have audited the financial statements of Shelby County, Kentucky, as of and for the year ended June 30, 1998, and have issued our report thereon dated July 19, 1999. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether Shelby County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Shelby County's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

Honorable Bobby Stratton, County Judge/Executive
Members of the Shelby County Fiscal Court
Report On Compliance And On Internal Control Over Financial Reporting Based On An
Audit Of Financial Statements Performed In Accordance With Government Auditing Standards

This report is intended for the information of management. However, this report, upon release by the Auditor of Public Accounts, is a matter of public record and its distribution is not limited.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Ed Hatchett", with a long horizontal flourish extending to the right.

Edward B. Hatchett, Jr.
Auditor of Public Accounts

Audit fieldwork completed -
July 19, 1999

COMMENT AND RECOMMENDATION

SHELBY COUNTY
COMMENT AND RECOMMENDATION

Fiscal Year Ended June 30, 1998

STATE LAWS AND REGULATIONS

Competitive Bids Were Not Requested For The Ambulance Purchase

Shelby County Fiscal Court purchased an ambulance without advertising for bids as required per KRS 424.260. KRS 424.260 requires bid advertisement for expenditures exceeding \$10,000. We recommend fiscal court in the future comply with this statute by advertising for bids on purchases of new or used merchandise that exceed \$10,000.

Management's Response:

We didn't know that a demo was considered to be a new vehicle.

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CERTIFICATION OF COMPLIANCE – LOCAL
GOVERNMENT ECONOMIC ASSISTANCE FUND

SHELBY COUNTY FISCAL COURT

Fiscal Year Ended June 30, 1998

CERTIFICATION OF COMPLIANCE
LOCAL GOVERNMENT ECONOMIC ASSISTANCE FUND
SHELBY COUNTY FISCAL COURT

The Shelby County Fiscal Court hereby certifies that assistance received from the Local Government Economic Assistance Fund was expended for the purpose intended as dictated by the applicable Kentucky Revised Statutes.

Bobby Stratton
Name
County Judge/Executive

Gray Bradshaw
Name
County Treasurer